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## SUGGESTED BASIC ACTIONS BY NON-DOMICILE DISTRICTS EDUCATING STUDENTS IN PUBLIC PLACEMENT

EVENT/TIME	ACTION
<p>When a student is enrolled as publicly placed by DMH, DFS, DYS, or a court of competent jurisdiction in your district...</p> <p>Privately placed students will be eligible for local tax effort billback only.</p>	<p>Obtain the following information:</p> <ul style="list-style-type: none"> <li>○ Student's Name</li> <li>○ Department Client Number (DCN) or equivalent</li> <li>○ Date of Birth (DOB)</li> <li>○ Social Security Number (SSN)</li> <li>○ Agency Involved <ul style="list-style-type: none"> <li>- Division of Family Services (DFS)</li> <li>- Department of Mental Health (DMH)</li> <li>- Juvenile Court (JUV CT) (Circuit)</li> <li>- Division of Youth Services (DYS)</li> </ul> </li> <li>○ County of Referring Agency</li> <li>○ Referring Agency Worker</li> <li>○ Domicile district of legal guardian (parents)</li> <li>○ Parent Address</li> <li>○ Last LEA serving</li> </ul>
	Contact DFS for personal information regarding the student, including parent's address and if the parent's rights for the student have been terminated (Appendix C).
	Request educational records including diagnostic summary and IEP. When a student leaves a district, the DFS caseworker will notify the district and provide forwarding information See (Appendix F). Appendix G is utilized when the receiving district does not receive related records from sending district.
	Determine presence of any Safe Schools Act violations in previous schools.
	Determine eligibility for SURROGATE PARENT PROGRAM.
	Send a letter to the domicile district informing them of the student's enrollment and intent to bill for local tax effort (Appendix D).
Ongoing...	Record attendance.
End of the school year...	Bill the domicile district for local tax effort (Section 167.126 (2), RSMo.) (Appendix E).
	Complete application for excess cost billback and submit to DESE by not later than October 1.

## PREFACE

This manual was written to provide assistance in the identification of students for whom public school districts can seek excess cost reimbursement for educational services per Section 167.126, RSMo. To qualify, these students must meet certain eligibility requirements including:

- Be a client of the Missouri Department of Mental Health (DMH) and be placed in a public school district different from the domicile of the student's legal guardian(s);
- Be a client of the Department of Social Services (DSS), Division of Family Services (DFS), be placed in a public school district different than the domicile of the student's legal guardian(s), and be placed into any type of publicly contracted residential site;
- Be placed by a court of competent jurisdiction in a public school district different than the domicile of the student's legal guardian(s), and be placed into any type of publicly contracted residential site;
- Be a client of the Department of Social Services (DSS), Division of Youth Services (DYS), be placed in a public school district different than the domicile of the student's legal guardian(s), and be placed into any type of publicly contracted residential site.
- Beginning with the 1999-2000 school year, privately placed students will be eligible for local tax effort billback only.

**NOTE:** It is not necessary for a student to have a disability in order to qualify for excess cost reimbursement. School districts that are required to assume the educational responsibilities for non-domiciled students, placed within their boundaries by DMH, DFS, DYS, or by a court of competent jurisdiction are eligible to bill the Department of Elementary and Secondary Education (DESE) for the excess cost of educating such students. The purpose of this manual is to provide districts with the information necessary to seek this reimbursement.

### TECHNICAL ASSISTANCE IS AVAILABLE FROM:

#### **Division of Special Education - Funds Management Section**

Bill Daly: 573/751-4385 or [wdaly@mail.dese.state.mo.us](mailto:wdaly@mail.dese.state.mo.us)

Gary Schroer: 573/522-1076 or [gschroer@mail.dese.state.mo.us](mailto:gschroer@mail.dese.state.mo.us)

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## **I. ELIGIBILITY AND APPLICATION FOR FUNDS**

### **A. ELIGIBILITY**

School districts which provide educational services to students who have been placed by DFS, DMH, DYS, or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri are considered students in public placement for this specific reimbursement program and meet the eligibility requirement for excess cost billback. Any child billable under this program may be included in local tax effort billings by serving districts (see Section 167.126 (2), RSMo. & 178.296, et al., RSMo.).

- Students placed in county juvenile facilities considered publicly placed for educational responsibility purposes. Any child placed by a public agency is to receive education from the resident district where the child is located.

The required payment for these students is as follows:

- For students, disabled or not, educational cost recovery is controlled by Section 167.126, et al., RSMo.
- For non-disabled students in detention facilities, educational cost recover is controlled by Section 178.295, et al., RSMo.

Without agreement with the domicile district, summer school for a student with a disability, which is not mandated in the IEP, or for a non-disabled student is non billable to the domicile district unless this is mandated by the courts for some juvenile detention centers.

Privately placed students are eligible for local tax effort billback only and cannot be billed to this fund.

### **B. DETERMINING THE DOMICILE DISTRICT**

Whenever a child is placed in the custody of a public agency, doing so must have been preceded by a court order. Thus, a publicly placed child can be ascertained by the presence of a court order. All other movements of children are considered private placements.

The domicile of a child is the school district in which his/her parent(s) or legal guardian(s) reside. This domicile district is the one to which the student would return if released from the custody of DMH, DFS, DYS, or a court of competent jurisdiction. If the parents have moved to another district during the student's residential placement, the domicile district becomes the new district to which the parents have moved.

Research may be necessary to obtain the name of the domicile district. Information supplied by the student's DFS, DMH, or DYS caseworker, requests to the residential facility, or DESE may be necessary. The serving district can then bill the domicile district for local tax effort.

For children placed by the court, information may be obtained by contacting the child's juvenile officer. If the juvenile officer is unknown, a copy of the Juvenile and Family Court Directory may be obtained from the Missouri Juvenile Justice Association, PO Box 1332, Jefferson City, Missouri 65102-1332.

As discussed previously in this manual, it is beneficial for the district to obtain necessary information for publicly placed children at the time of enrollment of the student.

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On July 10, 1998, the Division of Family Service Director sent a memo to all children's services staff (CS98-31) announcing an agreement between the division and the Department of Elementary and Secondary Education. The memo outlined the procedure service staff should use to forward designated information to school districts. The following is excerpted from that memo:

“County offices should expect to begin receiving requests for information from school districts where foster children have attended school during the time that they were in the Division's custody. To facilitate these requests in a timely and consistent manner, each county office will need to designate a liaison person who will be responsible for providing the information available pursuant to our cooperative agreement. It is not a requirement that the liaison person be a Children's Services person (i.e. clerical or other support staff may perform this function).”

Also included with the memo was a sample form used to “facilitate the correct information to be shared in a timely fashion”. See (Appendix C) – form - Information Request/Response.

### **C. LOCAL TAX EFFORT (LTE) BILLBACK**

Patrons pay local property taxes to their domicile district and this district should remit to the serving district the amount of local tax effort per day times the number of days a non-domicile student attended the serving district. Section 167.126(2) & (3), RSMo. requires the reimbursement of local tax effort to the serving school district. See (Appendix D) sample letter - Notification of Intent to Bill (LTE) and (Appendix E) sample letter - Billing for (LTE) for information to be included. The Notification of Intent to Bill letter should be sent upon enrollment of the student and identification of the domicile district. The billing of local tax effort is normally done shortly after the close of a school year.

Local tax effort is computed by each district and reported to DESE in the Annual Secretary of the Board Report (ASBR) submitted by August 15 each year. A report of local tax effort for each school district in Missouri is available from DESE, School Finance Section beginning in February (telephone: 573-751-0357). This information is also available on the DESE web page at: [www.dese.state.mo.us/divadm/finance/local](http://www.dese.state.mo.us/divadm/finance/local).

Section 167.126 (9), RSMo permits districts serving publicly placed children to bill DESE for local tax effort. This is subject to DESE receiving an appropriation for such and the students billed can only be those who are also billed to DESE for excess cost. Depending on appropriation, payment for local tax effort by DESE may be prorated. Any remaining balance not paid by DESE may be billed to the domicile district.

Districts may billback the local tax effort to the domicile district for any children who are privately placed in your school district. However, excess cost may not be billed to DESE for these children.

When a district receives a billing for Local Tax Effort (LTE), procedures need to be in place to confirm or deny payment for a student. Possible steps to be taken by the district billed when questions arise would include:

- Check district database for past enrollment of student.
- Follow-up on address supplied by serving district-school district maps, bus route maps, post office, utility companies, telephone directory, etc.
- Call DFS caseworker for additional information.
- Check county assessors office for school district where property and/or personal taxes are paid.

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The Excess Costs for Public Placement application provides a space labeled “Domicile District”. If the district of domicile is not reported, DESE will use the serving district’s local tax effort for computation unless one of the following apply:

- Parent’s rights have been terminated,
- Both parents are incarcerated,
- The student is an orphan, or
- Parents do not reside and do not pay taxes in a Missouri school district.

If any of the above mentioned situations are true for a student listed as eligible for excess cost reimbursement, the district will need to provide DESE with this information. Appendix C may be used for this purpose.

**DESE Administrative Procedure for Assuring Serving Districts Local Tax Effort Payments**  
**See (Appendix H)**

## **II. METHOD OF CALCULATION**

The end of each school year is when attendance and expense information is assembled to complete the excess cost application. DESE will work with agencies to verify placement status during the time period for which excess costs are claimed for students included on the excess cost application.

Documentation must be provided in the form of a worksheet or narrative when the cost of educating publicly placed students is greater than the cost associated with educating local students. These programs may be monitored by DESE to obtain on-site verification of such costs. Allowable costs may include:

- Personnel
- Supplies
- Transportation
- Tuition Costs
- Other identified direct or allocable expenses

After determining the cost of educating students in public placement, the district should compute the revenues available per pupil and record them on the applications. Revenue sources include:

- Local Tax Effort
- Basic formula
- Free and reduced lunch/at risk
- Exceptional Pupil Payment (if applicable)
- Transportation payment
- Part B Entitlement
- Other applicable state or federal receipt, i.e., the Extraordinary Cost Fund

The revenues from basic formula and transportation are obtained by multiplying the average daily attendance factor by the revenue sources available from the state. Part B Entitlement is a calculated amount per pupil. The Exceptional Pupil Aid computation may vary from district to district and the revenue amount should reflect the actual amount received per average daily attendance of publicly placed students who are identified as disabled under IDEA. For further clarification of these computations, see Application for Excess Cost Payment. The sum of the above mentioned sources is the amount of revenue already available to cover the educational costs for this student.

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Total revenues are subtracted from the gross charges to determine the excess cost, if any, for educating a publicly placed non-domicile student. The serving district will be reimbursed this amount through its school payment.

**A. IF THE DISTRICT OF DOMICILE IS KNOWN**

The annual per-pupil cost for educating a non-domicile student needs to be determined by the serving school district. Educational costs greater than those normally incurred for domicile students, disabled or not, and in excess of the amount of local tax effort which the district will be or has been reimbursed for educational services from the domicile school district plus usual revenue sources such as transportation, basic state aid, Part B Entitlement, etc. will be paid for by this program. The average expenditure per eligible pupil in average daily attendance is available by dividing the cost for education in the district by the average daily attendance. The cost of education can be found in the district's ASBR.

**B. IF THE DISTRICT OF DOMICILE CANNOT BE DETERMINED**

It is the responsibility of the serving school district to determine a domicile district, if any, and request reimbursement of local tax effort. When the serving district does not report a district of domicile on the application for excess cost, the local tax effort for the serving district will be used. If the parent's address is unknown, provide documentation from the agency to that fact. Appendix C may be included as documentation from DFS that the address is unknown for the mother and father.

**C. IF THE STUDENT HAS AN IEP**

If a student has an IEP, the amount of EPA provided by the state to assist in paying a portion of the teacher's salary will be counted as revenue and subtracted from the amount payable to the serving district. The Part B Entitlement paid the district for students included in its December 1 handicapped child count will also be subtracted.

**III. ASSURANCES, RECORDS AND BILLING SUBMISSION**

**1. SIGNATURE NEEDED**

The superintendent of the school district or a designee must sign the application for "Excess Cost". In doing so he/she agrees that the information provided is accurate and supporting documentation is on file at the LEA.

**2. RECORDS ON FILE FOR POSSIBLE MONITORING**

Records which support the district's billing for excess cost should be kept on file for at least five years by the school district. These records should include the information that led to the calculations for annual per pupil costs in excess of the cost of educating other students within the serving district.

**3. DEADLINE FOR SUBMISSION OF BILLING AND PAYMENTS**

Applications for excess cost recovery submitted to DESE **must be postmarked by October 1** of the year following educational services. Payments are generally made on a first-in-first-out basis. However, depending upon appropriations, payments may be prorated.

Submit the application by October 1 of the year following delivery of educational services to:  
Department of Elementary & Secondary Education  
Division of Special Education – Funds Management  
Post Office Box 480  
Jefferson City, MO 65102-0480



**Appendix A - STATUTE-Section 167.126, RSMo.**

**<http://www.moga.state.mo.us/statutes/C100-199/1670126.HTM>**  
(Click hyperlink to view statute above).

**Appendix B – Missouri State Regulation 5CSR 70-742.165**

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION  
Division of Special Education  
RULE

**5 CSR 70-742.165 State Agency Payments to School Districts for Educational Services**

*PURPOSE: This rule establishes criteria for payment to school districts which are not the legal domicile of children placed in programs or facilities operated by the department of mental health or placed by the department of social services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.*

(1) The Department of Elementary and Secondary Education shall expend general revenue appropriated to fund the excess cost of educational services provided to a child (a) whose domicile is in one district but is placed in programs or facilities operated by the Department of Mental Health or resides in another district pursuant to assignment by that department; or (b) whose domicile is in one district but is placed by the Division of Family Services into any type of publicly contracted residential site in Missouri; or (c) whose domicile is in one district but is placed by a court of competent jurisdiction into any type of publicly contracted residential site in Missouri. The Department of Elementary and Secondary Education shall pay the serving school districts the excess cost of services provided, e.g., an amount by which the per pupil costs of the educational services exceeds the funds received from the domiciliary school district and from other state and federal sources.

(2) Serving school district may submit requests of payment for educational services to the Department of Elementary and Secondary Education, Division of Special Education. Requests for payment will be accepted no later than October 1 following the school year during which billable services were delivered.

(3) Serving school district shall use forms prescribed by the Department of Elementary and Secondary Education when submitting requests for payment.

(4) The Department of Elementary and Secondary Education will determine excess cost payments based on expenditure data for the first year preceding the delivery of services.

(5) Payments to the serving district may be prorated based on funds appropriated for this purpose.

Authority: Chapter 167.126 (4) & (5), RSMo.

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**Appendix C – Form – Information Request/Response**

<b>LEGAL RELEASE OF CONFIDENTIAL INFORMATION TO SCHOOL DISTRICT</b>	
<b>SECTION A – To be completed by the school district/DESE</b>	
Child's Name:	
Date of Birth:	
Social Security Number:	
Departmental Client Number (DCN) if known:	
Dates of attendance for billback:	____-____-20____ to ____-____-20____
Request from:	_____ (name of person) at _____ (school district)
By accepting this information I/we agree not to re-release any information or to use it for any purpose other than the administrative activities authorized by the cooperative agreement between DESE and the Division of Family Services.	
<b>SECTION B – To be completed by the county DFS office liaison</b>	
1. Was the above named child in DFS custody (LS-1) during the above listed dates? ____yes ____no If yes, go to #2. If no, STOP!	
2. Was the above named child placed in the above named school district during the dates specified? ____yes ____no If yes, go to #3. If no, STOP!	
3. Were the parents' rights of the above named child terminated either prior to or during the dates specified? ____yes ____no If yes, STOP! If no, go to #4.	
4. Please list the following information (if known):	
<u>Mother</u>	<u>Father</u>
Address:	Address
State, Zip Code:	State, Zip Code:
DFS Liaison: _____ at _____ (name) (county office)	
Date:	

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***APPENDIX D: Sample Letter – Notification of Intent to Bill Local Tax Effort***

Date

Superintendent  
School District  
Street Address  
City, State, Zip Code

Dear:

This letter will serve as notification of our district's intent to bill for local tax effort as per Section 167.126 (2), RSMo. Our records indicate that the official domicile of the student identified is currently within your school district.

Student Name:  
D.O.B.:  
Date Enrolled:  
Responsible Party:  
Address: (Street, City, State, Zip Code)

Billings are determined by information reported to DESE in the Annual Secretary of the Board Report submitted by August 15 each year. A report of local tax effort is available from DESE, School Finance Section. Your school district will be billed an amount equal to the local tax effort per day of your district multiplied by the total number of days the student named received educational services from this district.

If this student's address is not within your district, please notify our district immediately. If you should have questions or concerns regarding this notification, please contact our district.

Sincerely,

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***APPENDIX E: Sample Letter – Billing for Local Tax Effort***

Date

Superintendent  
School District  
Street Address  
City, State, Zip Code

Dear:

This letter will serve as notification of our district's intent to bill for local tax effort as per Section 167.126 (2), RSMo. Our records indicate that the official domicile of the student identified is currently within your school district.

Student Name:  
DOB:  
SSN:  
DCN:  
Date Enrolled:  
Student Billed Past Years: Y/N  
Responsible Party:  
Relationship:  
Address: (Street, City, State, Zip Code)  
Case Worker:  
Phone Number:

Billings are determined by information reported to DESE in the Annual Secretary of the Board Report submitted by August 15 each year. A report of local tax effort is available from DESE, School Finance Section. Your school district will be billed an amount equal to the local tax effort per day of your district multiplied by the total number of days the named student received educational services from this district.

Total days in attendance (include dates) during the \_\_\_\_ school year: \_\_\_\_

Your per pupil local tax effort for the \_\_\_\_ school year is \$\_\_\_\_/174 school days = per pupil local tax generated per day \$\_\_\_\_.

This school district has provided educational services \_\_\_\_ days x your average daily effort rate of \$\_\_\_\_ =  
TOTAL AMOUNT DUE: \$\_\_\_\_.

Please remit amount due to:

Sincerely,

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**APPENDIX F – Form – DFS Notification to Forward Records**

**MISSOURI DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF FAMILY SERVICES**

**SCHOOL RECORDS REQUEST**

Current School of Attendance: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Child's Name: \_\_\_\_\_ Child's DOB: \_\_\_\_\_

Child's Grade: \_\_\_\_\_

The above named student is expected to withdraw from your school on \_\_\_\_\_ and is in the legal custody of the Division of Family Services. I/We hereby give permission to provide the following school records, directly to the responsible party listed below, within five (5) working days of receiving this request:

Immunization Records

Current Evaluation Report (*If Receiving Special Education Services*)

Current Individual Education Plan or 504 Plan (*If Receiving Special Education Services*)

Disciplinary Records from the past 12 months

School Transcript/Attendance Records

Signature: \_\_\_\_\_

Children's Service Worker: \_\_\_\_\_

Date of Request: \_\_\_\_\_

Children's Service Worker's Phone: \_\_\_\_\_ FAX: \_\_\_\_\_

DFS County Office: \_\_\_\_\_

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**SECTION A – Please provide the above listed records to the following school:**

School Name: \_\_\_\_\_

School Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

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**SECTION B – Please provide the above listed records to:**

Recipient: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

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***APPENDIX G – Form – Notification to DESE of Non-Receipt of Records***

**Reporting District Information:**

District Name:\_\_\_\_\_

County District Code:\_\_\_\_\_

Contact Name:\_\_\_\_\_

Telephone Number:\_\_\_\_\_

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**Student Information:**

Student Name:\_\_\_\_\_

Social Security Number:\_\_\_\_\_

Birth Date:\_\_\_\_\_

Date of Enrollment:\_\_\_\_\_

---

**Sending District Information:**

Sending District:\_\_\_\_\_

Reason given for refusal to forward student records:\_\_\_\_\_

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Submit Form to:

Missouri Department of Elementary and Secondary Education  
Division of Special Education, Funds Management  
PO Box 480  
Jefferson City, Missouri 65102  
Fax Number: 573/526-4404

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## ***APPENDIX H – Procedure – DESE Administrative Procedure for Assuring Serving Districts Local Tax Effort Payments***

### **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF SPECIAL EDUCATION ADMINISTRATIVE PROCEDURE**

#### **Assuring Serving Districts Local Tax Effort Payments for Out of District Placements**

*PURPOSE: This procedure, used to implement Chapter 167.126(3), RSMo., establishes the process for collection of local tax effort by school districts which are not the legal domicile of children placed in programs or facilities operated by the Department of Mental Health or placed by the Department of Social Services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.*

- (1) The serving district for which local tax effort payments were not received within 45 days after a voucher was submitted to the domicile district shall submit to the Department of Elementary and Secondary Education, Division of Special Education, the names of students, dates of attendance, and written documentation of address information for parent(s) inclusive of the dates for which local tax effort was billed. Such address information shall establish a domicile school district and come from the public placing agency.
- (2) Within 15 days of the receipt of correspondence from a serving district alleging the delinquent payment of a local tax effort charge by a domicile district, the Department of Elementary and Secondary Education will send a letter of notification to the domicile district of the intent to withhold an appropriate amount, based on the verification of domicile via records from the state placing agency, of state aid due the serving district. The domicile district may submit a written request for copies of documentation to be considered in the decision to deduct state aid payments.
- (3) The domicile district may request within 30 days of the date of the notification letter to appeal the decision or to submit verification of non-residency for each student whose domicile is contested. This appeal shall be made to the Assistant Commissioner of the Division of Special Education.
- (4) The Department of Elementary and Secondary Education shall review appeals and render a written decision within 30 days of the receipt of the appeal letter from the domicile district.
- (5) The Department of Elementary and Secondary Education shall deduct from public school state aid payments intended for the domicile district that portion of the local tax effort which has not been paid to the serving district for pupils placed in programs or facilities operated by the Department of Mental Health or placed by the Department of Social Services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.

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